GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2784
ANSWERED ON:12.12.2006
INDIAN MNC
Reddy Shri Magunta Sreenivasulu

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Indian companies have acquired distribution channels, brands and global customer base internationally;

(b) if so, the details thereof; and

(c) the steps taken by the Government to encourage Indian MNCs in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) to (b) As per available information, the details of sectors in which the Indian Companies have set up Joint Ventures (JVs) or Wholly Owned Subsidiaries (WOS) abroad are as follows:

(c) The Government has a liberal policy for Indian direct investments abroad which includes permission to Indian Corporates to invest upto 200% of their net worth in entities abroad; removal of monetary ceilings; removal of the stipulation of minimum net worth for Indian Companies engaged in financial sector activities in India for investment abroad in the financial sector; enlargement of the scope of guarantee under the automatic route and further liberalization of the automatic route of disinvestments.